

October 20, 2017

OUTPERFORM

Bangkok Chain Hospital

(BCH TB)

Share Price: Bt15.9

Target Price: Bt19.0 (+19.5%)

Earnings on fast track in 3Q

- Expect earnings to reach new high of Bt299m (+23% yoy, +74% qoq) thanks to new SS payment rates
- Earnings growth should remain strong at 19% in FY18F driven by smaller loss at WMC and higher revenue per SS patient
- OUTPERFORM, raised TP to Bt19.0/sh after rolling forward DCF base to FY18F, implying 22x FY18F EV/EBITDA

Revenue should grow by 13% yoy, lifting margins

We expect BCH to report impressive 3Q17 earnings at Bt299m (+23% yoy, +74% qoq), a record high level. Revenue should grow 13% yoy thanks to 18% growth in Social Security (SS) revenue driven by new SSO payment rates effective July. This should increase revenue per head by 9%. BCH should also book extra SS revenue for treatments for chronic diseases (RW<2) as actual collection is higher than the accrued amount. Meanwhile, cash patient revenue should also grow by 11% yoy led by both higher patient volume and revenue intensity. For WMC, revenue should hit another record high at c.Bt135m (+17% yoy, +9% qoq) driven by Chinese medical tour groups which come for health check-ups. EBITDA margin should improve to 31% (+0.6 ppt yoy).

WMC should turn profitable by FY19F

Earnings growth should remain strong in FY18F led by new SS payment rates. We also expect the number of registered SS members to grow by 5% to 830k (average) in 2018. Further, WMC had reached breakeven at EBITDA level in 2Q17 and FY18F revenue should continue to grow by 18% to Bt609m. Management expects WMC to turn profitable next year. We conservatively forecast WMC would post Bt90m loss in FY18F (vs Bt131m loss in FY17F) and breakeven at net profit level in FY19F. Overall, BCH's earnings should grow by 19% to Bt1.1bn in FY18F.

Trading at discount to peers; margins should continue to improve next year

We rolled forward valuation base to FY18F and derived a higher TP of Bt19/sh (from Bt17/sh). BCH is trading at 19x FY18F EV/EBITDA, cheaper than regional peers' average of 20x. We continue to like BCH as we expect WMC is no longer a drag, while the other hospitals should see improving margin driven by new SS payment rates and higher number of cash patients. BCH is our top pick in healthcare sector.

Financial Summary (Btm)

Year to Dec	2015	2016	2017F	2018F	2019F
Sales (Btm)	5,766	6,511	7,155	8,032	8,988
Growth (%)	9	13	10	12	12
EBITDA (Btm)	1,459	1,805	2,019	2,316	2,603
Growth (%)	3	24	12	15	12
Recurring profit (Btm)	527	753	890	1,058	1,226
Growth (%)	1	43	18	19	16
Net profit (Btm)	527	753	890	1,058	1,226
FDEPS (Bt) (Core)	0.21	0.30	0.36	0.42	0.49
Growth (%)	1	43	18	19	16
PE (x)	75.2	52.7	44.6	37.5	32.3
DPS (Bt)	0.12	0.17	0.21	0.25	0.30
Yield (%)	0.8	1.1	1.3	1.6	1.9
BVPS (Bt)	1.75	1.91	2.10	2.31	2.55
P/BV (x)	9.1	8.3	7.6	6.9	6.2



A member of MUFG
a global financial group



Teerapol UDOMVEJ

662 - 659 7000 ext 5012

teerapol.udomvej@krungsrisecurities.com

Key Data

12-mth high/low (Bt)	17 / 11.8
Market capital (Btm/US\$m)	39,650.6 / 1,196
3m avg. turnover (Btm/US\$m)	148.6 / 4.5
Free float (%)	36.4
Issued shares (m shares)	2,494
Major shareholders:	
- HARNPHANICH CHALERM	32.6
- HARNPHANICH SOMPORN	7.4
- SOCIAL SECURITY OFFI	5.4

Share Price Performance



	YTD	1Mth	3Mth	12Mth
Absolute (%)	7.4	4.6	17.8	27.2
Relative to index (%)	(3.2)	2.4	9.1	11.6

Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	16	1	1
Target Price (Bt)	Krungsri 19.0	Market 17.3	% +/- 10.0
'17 Net Profit (Btm)	890	887	0.3
'18 Net Profit (Btm)	1,058	1,046	1.2

Krungsri's earnings revision

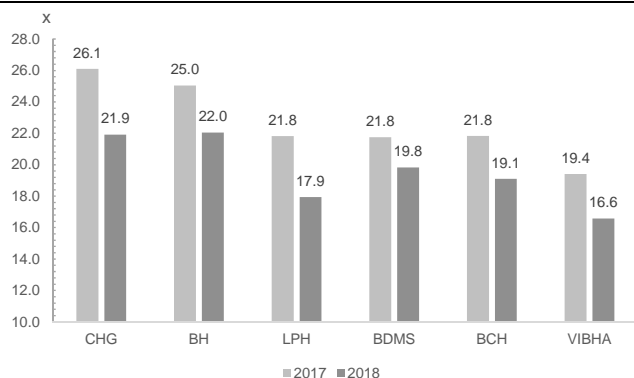
	2017F	2018F
Earnings revision (%)	-	-

Source: Bloomberg, Krungsri Securities

BCH: 3Q17F earnings preview

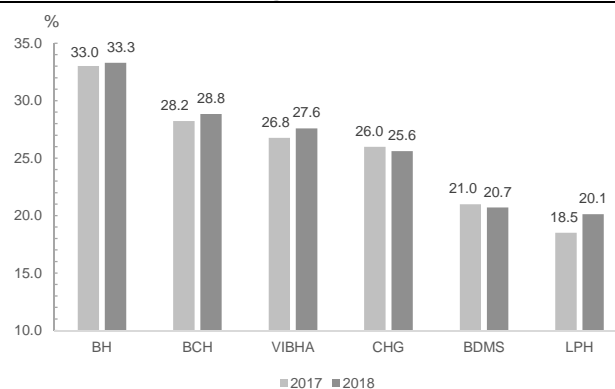
P&L (Btm)	3Q16	4Q16	1Q17	2Q17	3Q17F	% chg	
						QoQ	YoY
Sales	1,747	1,693	1,622	1,676	1,974	18%	13%
COGS (incl. depreciation)	(1,163)	(1,166)	(1,154)	(1,140)	(1,275)	12%	10%
Gross Profit	583	527	468	536	699	30%	20%
SG&A	(219)	(222)	(209)	(271)	(248)	-8%	13%
Operating Profit	364	305	259	265	451	70%	24%
Net other income	23	26	26	27	26	-2%	15%
Interest expense	(28)	(39)	(39)	(28)	(36)	29%	27%
Pretax profit	358	292	245	264	441	67%	23%
Income Tax	(65)	(49)	(40)	(51)	(88)	73%	35%
Associates	0	0	1	(0)	1	-869%	209%
Minority interest	(50)	(45)	(41)	(40)	(55)	35%	10%
Profit after tax (pre-ex)	243	198	165	172	299	74%	23%
Extraordinaries, GW & FX	0	0	0	0	0		
Reported net profit	243	198	165	172	299	74%	23%
Shares out (end Q, m)	2,494	2,494	2,494	2,494	2,494	0%	0%
Adjusted shares (m)	2,494	2,494	2,494	2,494	2,494	0%	0%
Pre-ex EPS	0.10	0.08	0.07	0.07	0.12	74%	23%
EPS	0.10	0.08	0.07	0.07	0.12	74%	23%
Depreciation	134	132	130	133	137	3%	3%
EBITDA	520	463	415	424	614	45%	18%
Key ratios							
Gross margin (%)	33%	31%	29%	32%	35%	3%	2%
SG&A/Revenue (%)	13%	13%	13%	16%	13%	-4%	0%
EBITDA margin (%)	30%	27%	26%	25%	31%	6%	1%
Net profit margin (%)	14%	12%	10%	10%	15%	5%	1%

Healthcare: EV/EBITDA



Source: Krungsri Securities

Healthcare: EBITDA margin



Source: Krungsri Securities

BCH: Key assumptions

	FY16A	FY17F	FY18F	FY19F
SS Volume growth	14%	6%	5%	7%
SS revenue / patient growth	7%	10%	5%	3%
OPD Volume growth	5%	1%	10%	10%
OPD revenue / patient growth	2%	5%	4%	4%
IPD Volume growth	11%	1%	8%	6%
IPD revenue / patient growth	5%	5%	5%	5%
Capex (Btm)	780	1,200	1,366	967
GPM	31%	32%	33%	33%
SG&A/Sale	13%	13%	13%	13%

Source: Krungsri Securities

BCH: Hospitals

No	Hospitals	Target customers	Opening/ Acquiring year	OPD-rooms	Licensed beds
1	World Medical Center Hospital	high-end	2013	84	150
2	Kasemrad Bangkae	middle-income / social security	1984	54	311
3	Kasemrad Prachachuen		1997	55	373
4	Kasemrad Rattanatibeth		1993	41	400
5	Kasemrad Saraburi		1996	14	200
6	Kasemrad Sriburin		1993	36	120
7	Kasemrad Chaseongsao		2015	16	100
8	Karunvej Sukhapibal 3		social security	2000	16
9	Karunvej Pathum Thani Hospital	2013		17	200
10	Karunvej Ayudhaya Hospital	2013		9	105
11	Karunvej Rattanatibeth	2015		18	119
	Total			360	2,178

Source: Company data

BCH: Greenfield projects in the pipeline

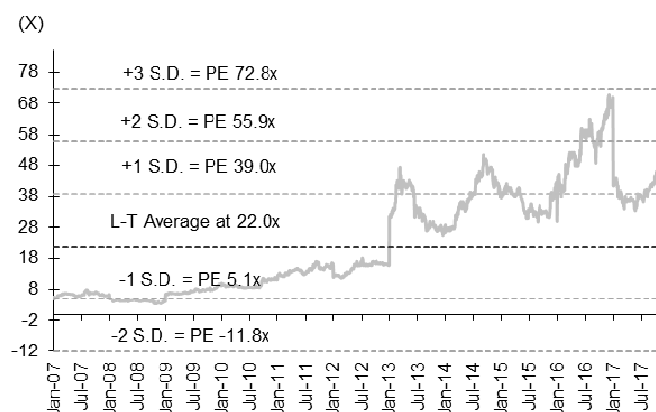
Hospital	Capex (Btm)	Expected opening	Capacity
Kasemrad Ramkhamhaeng	875	2Q18	139 beds
Kasemrad Aranyaprathet	661	4Q18	115 beds
Kasemrad Prachinburi (BCH has 85% Stake)	637	2019	116 beds
Kasemrad International Hospital Vientiane (BCH has 76% Stake)	1,152	2020	100 beds
Total	3,325		470 beds

Source: Company data

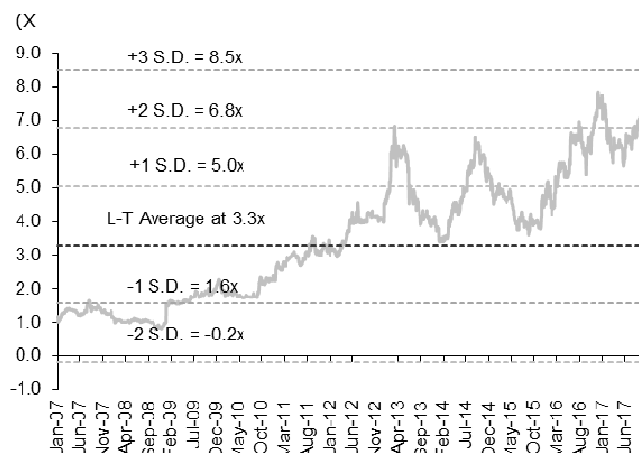
BCH: Expansion and renovation projects in the pipeline

Hospital	Capex (Btm)	Expected opening	Capacity
Upgrade Kasemrad Chachoengsao	60	3Q17	+OPD, MRI, ER, Mammogram
Rebrand Kasemrad Rattanatibeth	50	3Q17	+ENT and renovation
Upgrade Kasemrad Sriburin	130	3Q17	+ OPD, ICU, Heart Center
Upgrade Kasemrad Saraburi	30	4Q17	+Hemodialysis
Upgrade Maesai Clinic to Kasemrad Maesai Hospital	20	3Q17	+30 beds
Upgrade Karunvej Pathumthani	20	4Q17	N/A
Total	310		

Source: Company data

P/E Band


Source: Bloomberg, Krungsri Securities

P/BV Band


Source: Bloomberg, Krungsri Securities

Peer table

BB Ticker Name	Market Cap US\$	PE (x)		P/BV (x)		EPS Growth%		Div Yld (%)	ROE (%)	Share Price Performance			
		17F	18F	17F	18F	17F	18F	17F	17F	1M	3M	6M	YTD
BCH TB BANGKOK CHAIN HOSPITAL PCL	1,198	44.6	37.5	7.6	6.9	18.2	18.8	1.3	17.8	4.6	17.8	22.3	7.4
BDMS TB BANGKOK DUSIT MED SERVICE	9,826	39.6	37.2	5.2	4.8	0.4	6.4	1.2	13.8	0.5	8.8	5.0	(9.1)
BH TB BUMRUNGRAD HOSPITAL PCL	4,798	39.8	36.1	9.5	8.4	10.8	10.1	1.3	25.6	3.8	25.6	23.9	20.4
CHG TB CHULARAT HOSPITAL PCL	831	41.9	35.7	8.1	7.2	16.4	17.2	1.2	20.1	(3.1)	(0.8)	4.2	(12.6)
EKH TB EKACHAI MEDICAL CARE PCL	105	52.7	41.4	4.2	4.0	(26.0)	27.3	0.9	8.5	1.8	12.6	(7.2)	(17.1)
LPH TB LADPRAO GENERAL HOSPITAL PCL	188	37.7	31.0	3.8	3.6	8.4	21.8	2.1	10.7	0.6	(8.3)	(9.3)	(14.0)
VIBHA TB VIBHAVADI MEDICAL CENTER PCL	1,097	38.3	35.8	4.9	4.7	41.3	6.9	0.9	11.6	(3.5)	4.5	(3.5)	(5.5)
RJH TB RAJTHANEE HOSPITAL PCL	238	39.7	35.0	4.8	4.6	7.3	13.3	1.5	13.1	5.4	16.7	21.5	2.9
IHH SP IHH HEALTHCARE BHD	11,232	56.4	44.3	0.7	0.7	(96.4)	27.5	0.6	3.9	(1.1)	(2.6)	(2.6)	(13.6)
KPJ MK KPJ HEALTHCARE BERHAD	1,029	29.4	26.4	2.8	2.6	15.6	11.4	2.3	9.5	(4.0)	(2.1)	3.0	(1.4)
RFMD SP RAFFLES MEDICAL GROUP LTD	1,494	28.6	31.8	2.8	2.7	1.7	(10.0)	1.7	10.0	3.6	(10.5)	(20.2)	(19.9)
RHC AU RAMSAY HEALTH CARE LTD	10,302	22.6	20.6	5.3	4.8	17.7	9.9	2.3	23.8	5.2	(10.4)	(7.5)	(5.2)
RYM NZ RYMAN HEALTHCARE LTD	3,253	25.1	21.9	2.6	2.3	50.8	14.6	2.2	10.5	1.4	3.0	6.9	14.7
APHS IN APOLLO HOSPITALS ENTERPRISE	2,263	60.3	35.7	3.8	3.5	13.3	68.8	0.5	6.5	(0.8)	(14.2)	(8.7)	(10.3)
Average (simple)		39.8	33.6	4.7	4.3	5.7	17.4	1.4	13.3				

Source: Bloomberg, Krungsri Securities

INCOME STATEMENT (Btm)	2015	2016	2017F	2018F	2019F
Turnover	5,766	6,511	7,155	8,032	8,988
Cost of sales (COGS)	(3,528)	(3,958)	(4,295)	(4,781)	(5,333)
Depreciation & amortization	(461)	(514)	(540)	(589)	(643)
Gross profit	1,777	2,039	2,319	2,661	3,012
S&A expense	(855)	(835)	(930)	(1,028)	(1,150)
Operating profit	922	1,204	1,389	1,633	1,862
Other operating income	76	87	90	94	99
EBIT	998	1,291	1,479	1,727	1,960
Interest expense	(163)	(162)	(147)	(145)	(145)
Interest income	9	11	10	4	3
Other income	0	0	0	0	0
Goodwill amortization	0	0	0	0	0
Pre-tax profit	844	1,140	1,342	1,586	1,818
Income tax on company & subsidiaries	(174)	(208)	(256)	(317)	(364)
Profit after tax	670	932	1,085	1,269	1,455
Minority interests	(145)	(180)	(198)	(213)	(231)
Share of associate net income	3	1	2	2	2
Preferred dividends	0	0	0	0	0
Recurring attributable net profit	527	753	890	1,058	1,226
Extraordinary items	0	0	0	0	0
Reported net profit	527	753	890	1,058	1,226
Shares in issue (Y/E, m)	2,494	2,494	2,494	2,494	2,494
Shares in issue (weighted avg. m)	2,494	2,494	2,494	2,494	2,494
EPS (before extraordinary items, Bt)	0.21	0.30	0.36	0.42	0.49
DPS (Bt)	0.12	0.17	0.21	0.25	0.30
DPS/EPS (%)	57	56	60	60	60

CASH FLOW (Btm)	2015	2016	2017F	2018F	2019F
Operating profit	922	1,204	1,389	1,633	1,862
Other operating income	76	87	90	94	99
EBIT	998	1,291	1,479	1,727	1,960
Depreciation & amortization	461	514	540	589	643
EBITDA	1,459	1,805	2,019	2,316	2,603
Notional cash taxes on ungeared operations	(222)	(255)	(299)	(360)	(407)
Net change in working capital	(10)	86	72	100	110

CAPEX	(757)	(692)	(1,988)	(1,362)	(963)
Operating free cashflow (OpFCF)	470	944	(196)	694	1,344
Net interest income adjusted for tax impact	(112)	(107)	(98)	(102)	(103)
Net free cashflow (NetFCF)	358	837	(294)	592	1,241
Non-operating income (net of tax)	0	0	0	0	0
Equity income from associates	3	1	2	2	2
Investments	20	20	0	0	0
Net change in other assets/liabilities	46	13	0	0	0
Other items	(22)	132	0	0	0
Residual cashflow (RCF)	405	1,004	(292)	594	1,243
Dividends	(440)	(504)	(424)	(534)	(635)
Equity capital raised	(0)	(0)	(0)	(0)	(0)
Other items	(119)	(166)	(105)	(128)	(138)
Cashflow from financing	(558)	(671)	(529)	(662)	(773)
Net change in cash	(153)	334	(821)	(68)	470
Net cash/(debt) at YS	(3,594)	(3,747)	(3,414)	(4,234)	(4,302)
Ending net cash /(debt)	(3,747)	(3,414)	(4,234)	(4,302)	(3,832)
Increase/(decrease) in cash & equivalents	194	(126)	(416)	(68)	470
(Increase)/decrease in debt	(347)	460	(404)	0	0
NOPLAT (net op profit less adjusted tax)	776	1,035	1,180	1,367	1,554
Normalized OpFCF (Est maint CAPEX)	522	886	1,392	1,656	1,907
FCFE (free cashflow to equity)	752	545	112	594	1,243

BALANCE SHEET (Btm)	2015	2016	2017F	2018F	2019F
Cash & equivalents	806	680	264	196	667
A/C receivable	1,077	997	997	997	997
Inventory	189	195	212	236	263
Others	64	65	71	80	89
Total Current Assets	2,137	1,937	1,544	1,508	2,015
Property and equipment	7,859	8,039	9,491	10,268	10,592
Investments & associates	69	49	49	49	49
Other assets	82	73	73	73	73
Goodwill	451	471	471	471	471
Total Assets	10,598	10,569	11,628	12,370	13,201
Short-term debt	2,028	1,596	1,500	500	1,500
A/C payable	409	456	495	551	615
Other current liabilities	605	569	626	702	786
Total Current Liabilities	3,042	2,621	2,621	1,754	2,901
Long-term debt	2,526	2,498	2,999	3,999	2,999
Other liabilities	108	113	113	113	113

Total Liabilities	5,676	5,233	5,733	5,865	6,012
Share capital	2,494	2,494	2,494	2,494	2,494
Share premium	645	645	645	645	645
Revaluation surplus	(15)	(14)	0	0	0
Translation adjustment	0	0	0	0	0
Retained earnings	1,235	1,636	2,102	2,626	3,218
Total ordinary equity	4,359	4,761	5,241	5,764	6,356
Preferred equity	0	0	0	0	0
Minorities	563	576	655	740	832
Total equity & minorities	4,922	5,337	5,895	6,504	7,188
Accumulated depreciation	3,881	3,883	4,424	5,013	5,656
BV per ordinary share (Y/E, Bt)	1.75	1.91	2.10	2.31	2.55
Adjusted book value ps (Y/E, Bt)	1.75	1.91	2.10	2.31	2.55

RATIOS (%)	2015	2016	2017F	2018F	2019F
Growth					
Turnover	8.8	12.9	9.9	12.3	11.9
EBITDA	2.5	23.7	11.8	14.7	12.4
EBIT	0.8	29.3	14.6	16.8	13.5
Net profit	1.0	42.8	18.2	18.8	16.0
EPS pre extraordinary items	1.0	42.8	18.2	18.8	16.0
EPS (diluted)	1.0	42.8	18.2	18.8	16.0
DPS	(29.4)	41.7	25.9	18.8	16.0
Accounting ratios					
Cash profit margin	38.8	39.2	40.0	40.5	40.7
Gross profit margin	30.8	31.3	32.4	33.1	33.5
Operating profit margin	16.0	18.5	19.4	20.3	20.7
Net profit margin	9.1	11.6	12.4	13.2	13.6
Turnover/avg total assets (x)	0.6	0.6	0.6	0.7	0.7
ROA	5.1	7.1	8.0	8.8	9.6
ROE	12.4	16.5	17.8	19.2	20.2
S&A/turnover	14.8	12.8	13.0	12.8	12.8
Effective tax rate	20.6	18.3	19.1	20.0	20.0
Operating performance					
EBITDA margin	25.3	27.7	28.2	28.8	29.0
EBIT margin	17.3	19.8	20.7	21.5	21.8
NOPLAT margin (NOPLAT/Turnover)	13.5	15.9	16.5	17.0	17.3
Asset turnover (Turnover/avg Op assets)	0.7	0.8	0.8	0.8	0.9
ROCE (NOPLAT/avg Op assets)	9.7	12.5	13.1	13.6	14.8
ROCE inc capitalised goodwill	9.2	11.9	12.5	13.0	14.2

EQUITY VALUATIONS (Bt)	2015	2016	2017F	2018F	2019F
EPS	0.21	0.30	0.36	0.42	0.49
FDEPS	0.21	0.30	0.36	0.42	0.49
FDEPS growth (%)	1.05	42.81	18.15	18.85	15.95
DPS	0.12	0.17	0.21	0.25	0.30
BVPS	1.75	1.91	2.10	2.31	2.55
Adjusted BVPS	1.75	1.91	2.10	2.31	2.55
Free cashflow to equity (FCFE) per share	0.30	0.22	0.05	0.24	0.50
Share price (Bt) – 15.9					
PE (x)	75.2	52.7	44.6	37.5	32.3
PE (fully diluted, x)	75.2	52.7	44.6	37.5	32.3
PE/FDEPS growth (x)	71.8	1.2	2.5	2.0	2.0
Yield (%)	0.8	1.1	1.3	1.6	1.9
P/BV (x)	9.1	8.3	7.6	6.9	6.2
P/ABV (x)	9.1	8.3	7.6	6.9	6.2
P/FCFE (x)	52.7	72.8	353.0	66.8	31.9

ENTERPRISE VALUATIONS (Btm)	2015	2016	2017F	2018F	2019F
Ordinary shares (m)	2,494	2,494	2,494	2,494	2,494
Share price (Bt)	9	15	16	16	16
Ordinary equity MV	22,568	36,907	39,651	39,651	39,651
MI & deferred taxes	563	576	655	740	832
Equity MV (adjusted ord)	23,131	37,483	40,305	40,391	40,483
Preferred equity	0	0	0	0	0
Debt	4,554	4,094	4,499	4,499	4,499
Enterprise Value	27,685	41,577	44,804	44,889	44,982
Net noncore assets	1,269	1,136	713	636	1,097
Core Enterprise Value (EV)	26,417	40,442	44,091	44,253	43,884
Turnover	5,766	6,511	7,155	8,032	8,988
EBITDA	1,459	1,805	2,019	2,316	2,603
EBIT	998	1,291	1,479	1,727	1,960
NOPLAT	776	1,035	1,180	1,367	1,554
OpFCF	470	944	(196)	694	1,344
OpFCF (normalized)	522	886	1,392	1,656	1,907
Op (core) capital employed (CE)	8,207	8,295	9,681	10,367	10,590
Avg. core capital employed	8,045	8,251	8,988	10,024	10,478
Core EV Multiples					
EV/Turnover (x)	4.6	6.2	6.2	5.5	4.9
EV/EBITDA (x)	18.1	22.4	21.8	19.1	16.9
EV/EBIT (x)	26.5	31.3	29.8	25.6	22.4
EV/NOPLAT (x)	34.0	39.1	37.4	32.4	28.2
EV/OpFCF (x)	56.2	42.8	(225.0)	63.8	32.7
EV/OpFCFnormalised (x)	50.6	45.6	31.7	26.7	23.0
EV/capital employed (YE, x)	3.2	4.9	4.6	4.3	4.1
EV/avg capital employed (x)	3.3	4.9	4.9	4.4	4.2
RISK MEASURES	2015	2016	2017F	2018F	2019F
Equity multiplier (avg. total assets/avg. equity)	2.4	2.3	2.2	2.2	2.1
Net debt/equity & MI	0.8	0.6	0.7	0.7	0.5
Interest cover (x)					
Interest cover (EBIT & int.incl/int. expense)	6.2	8.0	10.1	12.0	13.6
NOPLAT/interest paid	4.6	6.3	7.8	9.2	10.5
Debt service (OpFCF/net interest paid)	2.9	6.1	(1.4)	4.8	9.2
Short-Term Ratios (x)					
Current assets/current liabilities	0.7	0.7	0.6	0.9	0.7
Current assets less inventory/current liabilities	0.6	0.7	0.5	0.7	0.6
A/C receivable, days turnover	68.2	55.9	50.8	45.3	40.5
Inventory, days COGS	19.6	18.0	18.0	18.0	18.0
A/C payable, days COGS	42.3	42.1	42.1	42.1	42.1

CG Rating 2016 Companies with CG Rating



AMATA	AOT	BAFS	BAY	BCP	BIGC	BTS	BWG	CK	CPF	CPN	CSL	DELTA	DEMCO
DRT	DTAC	DTC	EASTW	EGCO	GFPT	GPSC	GRAMMY	HANA	HMPRO	INTUCH	IRPC	IVL	KBANK
KCE	KKP	KTB	KTC	LHBANK	LPN	MBK	MCOT	MINT	MONO	NKI	NYT	OTO	PHOL
PPS	PS	PSL	PTT	PTTEP	PTTGC	QH	QTC	RATCH	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SE-ED	SIM	SITHAI	SNC	SPALI	SSSC	STEC	SVI	TCAP	THCOM	TISCO	TKT
TMB	TNDT	TOP	TSC	TTCL	TU	UV	VGI	WACOAL	WAVE				



2S	AAV	ACAP	ADVANC	AGE	AH	AHC	AKP	ALUCON	AMANAHA	ANAN	AP	APCO	APCS
ARIP	ASIA	ASIMAR	ASK	ASP	AUCT	AYUD	BANPU	BBL	BDMS	BEM	BFIT	BLA	BOL
BROOK	CEN	CENTEL	CFRESH	CGH	CHG	CHO	CHOW	CI	CIMBT	CKP	CM	CNS	CNT
COL	CPI	DCC	EA	ECF	EE	ERW	FORTH	FPI	GCAP	GLOBAL	GBX	GC	GL
GLOW	GUNKUL	HOTPOT	HYDRO	ICC	ICHI	IFEC	INET	IRC	JSP	K	KSL	KTIS	L&E
LANNA	LH	LHK	LIT	LOXLEY	LRH	LST	M	MACO	MALEE	MBKET	MC	MEGA	MFC
MOONG	MSC	MTI	MTLS	NCH	NOBLE	NSI	NTV	OCC	OGC	OISHI	ORI	PACE	PAP
PCSGH	PDI	PE	PG	PJW	PLANB	PM	PPP	PR	PRANDA	PREM	PRG	PRINC	PT
PTG	PYLON	Q-CON	RICHY	ROBINS	RS	RWI	S	SAMCO	SABINA	SALEE	S&J	SCG	SEAFO
SIAM	SINGER	SIS	SMK	SMPC	SMT	SNP	SPI	SPPT	SPRC	SR	SSF	SST	STA
SUSCO	SUTHA	SWC	SYMC	SYNEX	SYTNEC	TAE	TAKUNI	TASCO	TBSC	TCC	TF	TFI	TGCI



AEC	AEONTS	AF	AIRA	AIT	AJ	AKR	AMARIN	AMATAV	ARROW	APURE	AQUA	AMC	AS
BA	BEAUTY	BEC	BH	BIG	BJC	BJCHI	BKD	BR	BROCK	BRR	BTNC	CBG	CGD
CHARAN	CITY	CMR	COLOR	COM7	CPL	CSC	CSP	CSR	CSS	CTW	DCON	DIMET	DNA
EARTH	EASON	ECL	EFORL	EPCO	EPG	ESSO	FE	FER	FOCUS	FSMART	FSS	FVC	GEL
GIFT	GLAND	GOLD	GSTEL	GYT	HPT	HTC	HTECH	IFS	IHL	ILINK	INSURE	IRPC	IT
ITD	J	JMART	JMT	JUBILE	JWD	KASET	KBS	KCAR	KGI	KKC	KOOL	KWC	KYE
LALIN	LPH	MAJOR	MAKRO	MATCH	MATI	M-CHAI	MDX	MFEC	MJD	MK	MODERN	MPG	NC
NCL	NDR	NEP	NOK	NUSA	PATO	PCA	PDG	PF	PICO	PIMO	PL	PLAT	PLE
PMTA	PPM	PRIN	PSTC	QLT	RCI	RCL	RICH	RML	RPC	SANKO	SAPPE	SAWAD	SCI
SCN	SCP	SEAOIL	SENA	SIRI	SKR	SLP	SMG	SMIT	SORKON	SPA	SPC	SPCG	SPVI
SSC	STANLY	STPI	SUC	TACC	TCCC	TCMC	TEAM	TFD	TFG	TIC	TIW	TKN	TLUXE
TMD	TNP	TOPP	TPA	TPAC	TPCH	TPIPL	TPOLY	TRITN	TRT	TTI	TVI	TWP	U
UBIS	UMI	UPOIC	UT	UWC	VIBHA	VPO	VTE	WICE	WIIK	WIN	XO		

Disclaimer

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator 2016

Companies that have declared their intention to join CAC

A	AI	AIE	AIR	AJ	ALUCON	AMATAV	AOT	APCO	AQUA	ARROW	ASIA	ASK	AU
BCH	BJC	BJCHI	BLAND	BR	BROCK	BRR	CEN	CGH	CHEWA	CHG	CHOTI	CHOW	CIG
COL	COM7	CPALL	CPF	CPR	CSC	EKH	EPCO	FC	FER	FPI	FSMART	GEL	GFPT
GGC	GIFT	GJS	GLOBAL	GOLD	GPSC	GREEN	GSTEL	GUNKUL	HARN	IFS	ILINK	INET	IRC
J	JMART	JMT	JUBILE	JUTHA	KASET	KBS	KCAR	KTECH	KWC	KYE	L&E	LEE	LIT
LVT	MAKRO	MATCH	MATI	MBAX	MC	MFEC	MIDA	MILL	ML	MTLS	NBC	NCL	NEP
NINE	NMG	NNCL	NTV	NUSA	NWR	OGC	PACE	PAF	PAP	PATO	PCSGH	PIMO	PK
PL	PLANB	POST	PRINC	PRO	PSTC	PYLON	QTC	ROH	ROJNA	RWI	SANKO	SAUCE	SC
SCCC	SCN	SEAOIL	SE-ED	SENA	SIRI	SMART	SPACK	SPPT	SPRC	SR	SRICHA	SST	STA
SUPER	SUSCO	SWC	SYMC	TAKUNI	TBSP	TFI	THE	TICON	TIP	TKN	TLUXE	TMILL	TMT
TNP	TPA	TRUE	TSE	TTI	TU	TVD	TVO	TVT	TWPC	U	UPA	UREKA	UWC
VGI	VIBHA	VIH	VNT	WAVE	WHA	WICE	WIIK						

Companies certified by CAC

ADVANC	AKP	AMANAH	AP	ASP	AYUD	BAFS	BANPU	BAY	BBL	BCP	BKI	BLA	BROOK
BTS	BWG	CENTEL	CFRESH	CIMBT	CM	CNS	CPI	CPN	CSL	DCC	DEMCO	DIMET	DRT
DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FSS	GBX	GCAP	GLOW	HANA	HMPRO	HTC
ICC	IFEC	INTUCH	IRPC	IVL	K	KBANK	KCE	KGI	KKP	KSL	KTB	KTC	LANNA
LHBANK	LHK	LPN	MBK	MBKET	MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NKI	NSI
OCC	OCEAN	PB	PDI	PE	PG	PHOL	PLAT	PM	PPP	PPS	PRANDA	PREB	PRG
PSH	PSL	PT	PTG	PTT	PTTEP	PTTGC	Q-CON	QH	QLT	RATCH	RML	ROBINS	S & J
SABINA	SAT	SCB	SCC	SCG	SGP	SINGER	SIS	SITHAI	SMIT	SMPC	SNC	SNP	SORKON
SPC	SPI	SSF	SSI	SSSC	SVI	SYNTEC	TAE	TCAP	TCMC	TFG	TGCI	THANI	THCOM
THRE	THREL	TIPCO	TISCO	TKT	TMB	TMD	TNITY	TNL	TOG	TOP	TPCORP	TRU	TSC
TSTH	TTCL	TVI	UOBKH	WACOAL									

N/A

2S	AAV	ABICO	ACAP	ACC	ADAM	AEC	AEONTS	AF	AFC	AGE	AH	AHC	AIT
AJA	AKR	ALLA	ALT	AMA	AMARIN	AMATA	AMC	ANAN	APCS	APEX	APURE	AQ	ARIP
AS	ASAP	ASEFA	ASIAN	ASIMAR	ASN	ATP30	AUCT	BA	BAT-3K	BCPG	BDMS	BEAUTY	BEC
BEM	BFIT	BGRIM	BGT	BH	BIG	BKD	BLISS	BM	BOL	BPP	BSP	BSBM	BSM
BTC	BTNC	BTW	BUI	CBG	CCET	CCP	CGD	CHARAN	CHO	CHUO	CI	CITY	CK
CKP	CMO	CMR	CNT	COLOR	COMAN	CPH	CPL	CRANE	CRD	CSP	CSR	CSS	CTW
CWT	D	DCON	DCORP	DELTA	DIGI	DNA	DTCI	EA	EARTH	EASON	ECF	EE	EFORL
EIC	EMC	EPG	ERW	ESSO	ESTAR	ETE	EVER	F&D	FANCY	FMT	FN	FOCUS	FORTH
FTE	FVC	GC	GENCO	GL	GLAND	GRAMMY	GRAND	GTB	GYT	HFT	HOTPOT	HPT	HTECH
HYDRO	ICHI	ICN	IEC	IHL	INGRS	INOX	INSURE	IRCP	IT	ITD	ITEL	JAS	JALIN
JCT	JSP	JTS	JWD	KAMART	KC	KCM	KDH	KIAT	KKC	KOOL	KTIS	KWG	LALIN
LDC	LH	LOXLEY	LPH	LRH	LST	LTX	M	MACO	MAJOR	MALEE	MANRIN	MAX	M-CHAI
MCS	MDX	MEGA	METCO	MGT	MJD	MK	MM	MODERN	MPG	MPIC	NC	NCH	NDR
NETBAY	NEW	NEWS	NFC	NOBLE	NOK	NPK	NPP	NVD	NYT	OHTL	OISHI	ORI	OTO
PAE	PDG	PERM	PF	PICO	PJW	PLANET	PRECHA	PMTA	POLAR	POMPUI	PPM	PRAKIT	PLE
PRIN	PRM	PTL	RAM	RCI	RCL	RICH	RICHY	ROCK	RP	RPC	RPH	RS	
S	S11	SAFARI	SALEE	SAM	SAMART	SAMCO	SAMTEL	SAPPE	SAWAD	SAWANG	SCI	SCP	SDC
SE	SEAFCO	SELIC	SF	SFP	SGF	SHANG	SIAM	SIMAT	SKN	SKR	SKY	SLP	SMK
SMM	SMT	SOLAR	SPA	SPALI	SPCG	SPG	SPORT	SPVI	SQ	SSC	SSP	STANLY	STAR
STEC	STHAI	STPI	SUC	SUTHA	SVH	SVOA	SYNEX	T	TACC	TAPAC	TASCO	TC	TCB
TCC	TCCC	TCJ	TCOAT	TEAM	TFD	TFMAMA	TGPRO	TH	THAI	THANA	THIP	THL	TIC
TIW	TK	TKS	TM	TMC	TMI	TMW	TNDT	TNH	TNPC	TNR	TOA	TOPP	TPAC
TPBI	TPCH	TPIPL	TPIPP	TPOLY	TPP	TR	TRC	TRITN	TRT	TRUBB	TSF	TSI	TSR
TSTE	TTA	TTL	TTM	TTW	TUCC	TWP	TWZ	TYCN	UAC	UBIS	UEC	UKEM	UMI
UMS	UNIQ	UP	UPF	UPOIC	UT	UTP	UV	UVAN	VARO	VI	VNG	VPO	VTE
WG	WHAUP	WIN	WINNER	WORK	WORLD	WP	WPH	WR	XO	YCI	YNP	YUASA	ZIGA
ZMICO													

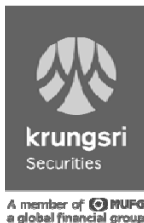
Disclaimer

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment result."

Reference

Disclosure: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of July 31, 2017) are categorised into:

- Companies that have declared their intention to join CAC
- Companies certified by CAC.



Krungsri Securities Public Company Limited

Headquarters

898 Ploenchit Tower, 3rd Floor, Ploenchit Road, Lumpini
Pathumwan, Bangkok 10330
Tel: 0-2659-7000 Fax: 0-2658-5699
Internet Trading: 0-2659-7777

Branches

Emporium

662 Emporium Tower, Fl. 10, Sukhumvit 24 Road
Klongton, Klongtoey, Bangkok 10110
Tel: 0-2695-4500 Fax: 0-2695-4599

Central Bangna

589/151 Central City Tower 1 Office, Fl. 27
Bangna-Trad Road, Bangna, Bangkok 10260
Tel: 0-2763-2000 Fax: 0-2399-1448

Rama II

111/917-919 Rama II Road, Smaedum,
Bangkhuntien, Bangkok 10150
Tel: 0-2895-9575 Fax: 0-2895-9557

Vibhavadi-rangsit

Bank of Ayudhya Public Company Limited
123 Sun Towers (B) Building, Vibhavadirangsit Road,
Jompol, Jatujak, Bangkok 10900
Tel: 0-2273-8388 Fax: 0-2273-8399

Chonburi

64/17 Sukhumvit Road, Tambol Bang Plasoi,
Amphur Muang, Chonburi 20000
Tel: 0-3879-0430 Fax: 0-3879-0425

Hat Yai Branch

90-92-94 Nipat U Tit Nueng Road, Tambol Hat Yai,
Amphur Hat Yai, Songkhla 90110
Tel: 0-7422-1229 Fax: 0-7422-1411

Nakhon Pathom

67/1 Ratchadamnoen Road, Tambol Phra Pathom Jaedee,
Amphur Muang, Nakhon Pathom 73000
Tel: 0-3427-5500-7 Fax: 0-3421-8989

Suphanburi

249/171-172 Moo 5 Tambol Ta Rahad,
Amphur Muang, Suphanburi, 72000
Tel: 0-3550-1234 Fax: 0-3552-2449

Nakhon Ratchasima

168 Chomphon Road, Tambol Nai Muang,
Amphur Muang Nakhon Ratchasima,
Nakhon Ratchasima 30000
Tel: 0-4425-1211-4 Fax: 0-4425-1215

Khon Kaen

114 Sri Chan Road, Tambol Nai Muang,
Amphur Muang, Khon Kaen 40000
Tel: 0-4322-6120 Fax: 0-4322-6180

Chiang Mai

70 Chang Phuak Road, Tambol Sri Phum
Amphur Muang, Chiang Mai 50200
Tel: 0-5321-9234-6 Fax: 0-5321-9247

Chiang Rai

231-232 Thamalai Road, Tambol Wiang,
Amphur Muang, Chiang Rai 57000
Tel: 0-5371-6489 Fax: 0-5371-6490

Phitsanulok

275/1 Phichaisongkram Road, Tambol Nai Muang,
Amphur Muang, Phitsanulok 65000
Tel: 0-5530-3360 Fax: 0-5530-2580

Analyst Team	Sector Coverage	Central line: 662-659-7000	E-mail
Naphat Chantaraserkul, Head of Research	Energy, Petrochemical, Strategy	ext. 5000	naphat.chantaraserkul@krungsrisecurities.com
Kittisorn Pruitipat, CFA, FRM	Property, ICT, Contractor	ext. 5019	kittisorn.pruitipat@krungsrisecurities.com
Jesada Techahusdin, CFA	Banking, Consumer Finance, Insurance	ext. 5004	jesada.techahusdin@krungsrisecurities.com
Sunthorn Thongthip	Food, Transportation, Strategy	ext. 5009	sunthorn.thongthip@krungsrisecurities.com
Worrapong Tuntiwutthipong	Electronic, Automotive, Commerce	ext. 5016	worrapong.tuntiwutthipong@krungsrisecurities.com
Karun Intrachai	Renewable Energy, Food	ext. 5010	karun.intrachai@krungsrisecurities.com
Teerapol Udomvej	Healthcare, Tourism	ext. 5012	teerapol.udomvej@krungsrisecurities.com
Kitti Pitakteerabandit	Transportation, Media	ext. 5008	kitti.pitakteerabandit@krungsrisecurities.com
Artit Jansawang	Mid - Small cap, MAI	ext. 5005	artit.jansawang@krungsrisecurities.com
Nurudon Rusme	Mid - Small cap, MAI	ext. 5007	narudon.rusme@krungsrisecurities.com
Nalinee Praman, Assistant Analyst	Mid - Small cap, MAI		

Definition of Ratings

- OUTPERFORM** - Stocks with an expected capital gain above 10% in the next 12 months for small-caps, above 5% for big-caps
- NEUTRAL** - Stocks with an expected capital gain between -10% and +10% in the next 12 months for small-caps, -5% to +5% for big-caps
- UNDERPERFORM** - Stocks with an expected capital gain below 10% in the next 12 months for small-caps, below 5% for big-caps

Fax 662-658-5643